United States Bankruptcy Court Eastern District of Wisconsin Local Bankruptcy Rules Committee Federal Court House, Room 482 September 27, 2005 at 3:30pm

In attendance: Judge Dee McGarity, James Adashek, David Asbach, Thomas King, Jeffery Nordholm (Chair), Christopher Austin, Mary Grossman, Larry Liebzeit (phone), Brett Pfeifer, Tonya Trumm (phone), John Foscato (phone) and Ralph Anzivino, (Reporter).

The meeting began by Judge McGarity indicating that the judges will be adopting certain standing orders to handle routine matters until interim local rules are adopted by the court. The matters currently under consideration are orders to deal with-

- 1. the § 522 (q) bar date;
- 2. safeguarding tax return information;
- 3. redacting confidential and private information;
- 4. pre-confirmation adequate protection; and
- 5. identifying domestic support creditors for the required notices.

The committee next addressed the issue of confidentiality/privacy of information contained in many of the requirements of the Code. There are many areas where private information could become available to outside third persons, such as tax returns, pay stub information, etc. The local rules need to address how to best protect this information. David Asbach and Chris Austin volunteered to undertake a review of the matter and draft a proposed local rule for future consideration.

The committee next considered <u>LR 4000.1 Pre-confirmation adequate protection</u> payments drafted by Tom King. The rule is derived from § 1326 (a), Chapter 13 Payments. The local rule anticipates that the lease payments will continue to be made directly by the debtor to the lessor. On the other hand, the adequate protection payments will be paid through the Trustee. The rationale for the different treatment is that by passing the payments through the Trustee on the secured debt, the accounting for payments will be accurate and the possibility for disputes will be minimized.

An issue was raised concerning subsection I. which provides that upon dismissal or conversion of the chapter 13 case to another chapter prior to confirmation, any monies in the Trustee's possession for adequate protection payments shall be paid to the creditor. Section 1326 (a)(2) provides that if a plan is not confirmed, any monies not previously paid and <u>not yet due</u> are to be returned to the debtor. After considerable discussion, the committee concluded that the best way to reconcile the local rule and the Code was to include the statutory language in the local rule. In such a case, the debtor's counsel will initially set the adequate protection payment and if the creditor objects to the amount, the matter can be brought before the court for final determination. Additional clarifying

changes were made to the proposed rule, and as finally composed, a vote was taken. The final tally was 9 yes, 1 abstain, and 0 no votes.

The next rule under consideration would be an addition to LR 1007.4. The heading is <u>Disclosure of a Holder of a Domestic Support Obligation</u> drafted by Mary Grossman. Some clarifying language was added to the rule, including a suggestion to change the time by which documents must be provided to the trustee under LR 1007.4 from 10 to 7 days. A final vote on the proposed rule will be taken at the next meeting.

It was agreed that the next meeting would be on Tuesday October 4, 2005 at 2:00pm at the same location in the court house.

Topics for consideration at the next meeting include:

- 1. Presumed reasonable fees;
- 2. final discussion of the DSO rule;
- 3. required information for discharge.

The meeting adjourned at 5:33pm.

Minutes prepared by Professor Ralph C. Anzivino